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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

FILE STAMP COPY

October 3, 2002

The Secretary
Federal Communications Commission
445 12th Street, S.W.
Washington, D.C. 20554

Re: Requests for Special Temporary Authority for the Transfer of Control of FCC Authorizations and Licenses by Williams Communications, LLC, Williams Communications Group, Inc., Debtor-in-Possession, and WilTel Communications Group, Inc.

Dear ~~Madam~~ Secretary:

The Williams Companies, Inc. ("TWC") is the single largest unsecured creditor and former parent company of Williams Communications Group, Inc. ("WCG"), which is currently attempting to complete its reorganization under chapter 11 of the U.S. Bankruptcy Code. TWC strongly supports WCG's request for the issuance by the Commission of Special Temporary Authority ("STA") to permit the transfer of control of the FCC authorizations and licenses held by Williams Communications, LLC ("Williams"), from WCG, Debtor-in-Possession, to WilTel Communications Group, Inc.

TWC's interest in this matter is directly related to its status as the single largest unsecured creditor of WCG, holding more than \$2.36 billion in debt, including nearly \$300 million of secured obligations from WCG's subsidiaries. Through a series of intense and difficult negotiations, a Plan of Reorganization ("the Plan") for WCG has recently been agreed to by all of WCG's principal constituencies and was confirmed by the Bankruptcy Court on September 30, 2002. This Plan, if consummated, will enable WCG to emerge from chapter 11 protection as a healthy and competitive telecommunications provider with a realistic prospect for long-term viability. As you are no doubt aware, such a result is the exception rather than the norm, given the financial crisis that has swept the telecommunications industry over the past couple of years. Moreover, the Plan represents a fairly delicate balancing of competing interests

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The Secretary

Page 2

among a variety of players, including TWC, WCG's senior secured lenders, \$2.5 billion of bonds, other creditors (numbering more than 11,000) and a major new investor, Leucadia National Corporation. Given these disparate interests, TWC is convinced that the Plan, as confirmed by the Bankruptcy Court, represents the best possible outcome attainable in the bankruptcy proceeding.

Critical to the Plan's successful implementation is that the reorganization of WCG be effectuated by no later than October 15, 2002. As a major stakeholder in the outcome of the proposed reorganization, TWC is fully committed to taking all actions necessary on its part to ensure a successful closing by October 15. However, the only remaining material contingency at this juncture to achieving that result is the grant by the Commission of the requested STA. If the closing does not occur by that date, each of the participants in the WCG reorganization has the right to terminate the deal. TWC cannot predict whether these parties will exercise their rights, or the implications of such actions for William's continuing ability to provide telecommunications service on an undisrupted basis. TWC is seriously concerned, however, that there is the potential for significant disruption of service provision on the part of Williams, as well as the prospect of extensive further negotiations required to determine whether WCG (and Williams) can continue to function as a viable business enterprise.

Such an outcome, including both the possible service disruption and resulting uncertainty, could in no way further the public interest. To the contrary, TWC believes that the public interest would best be served through issuance of the STA, thereby permitting consummation of the Plan to proceed on October 15, subject of course to the Commission's subsequent review of the pending transfer of control applications.

Consequently, TWC respectfully requests that the Commission grant the STA requests of Williams in order to permit the consummation of the Plan on or before October 15, 2002 (and preferably by close of business on October 11 to permit a more orderly and certain closing on October 15). If any questions arise in connection with this matter, please contact the undersigned.

Respectfully submitted,

WHITE & CASE, LLP

By: 
Maury J. Mechanick

Attorneys for The Williams Companies, Inc.